

### Indiana Department of Revenue Contact Information

#### To obtain copies of forms:

\*Online at [www.in.gov/apps/dor/fos](http://www.in.gov/apps/dor/fos). **(BOOKMARK IT NOW!)**

\*By e-mail, write to [pfrequest@dor.in.gov](mailto:pfrequest@dor.in.gov).

\*By FAX, dial our TaxFax at (317) 233-2329 from the handset of a FAX machine.

\*By telephone, call our Forms Order Line at (317) 615-2581, or FAX a message to (317) 615-2692.

#### To obtain copies of departmental notices, information bulletins and other administrative pronouncements:

[www.in.gov/dor/reference](http://www.in.gov/dor/reference).

#### For refund information:

Call our Automated Taxpayer Information System (and press "1" in response to instructions given) from a touch tone telephone: (317) 233-4018 between 8:00 A.M. Monday - 10:00 P.M. Saturday.

Or, visit our Refund Status Service online from our home page at <https://secure.in.gov/apps/dor/tax/refund>

#### Other taxpayer services:

To speak with a taxpayer assistant regarding individual income taxes, call our Taxpayer Services Division at (317) 232-2240 (7:15 A.M. - 11:15; 12:30 - 4:15 P.M.).

For corporate tax questions, call (317) 615-2662.

The Indianapolis Walk-In Assistance Center is open 7:15 A.M. - 4:15 P.M.; the other 11 District Offices are open 8:00 A.M. - 4:30 P.M.

To contact Taxpayer Assistance by telephone by specific tax types, go to: [www.in.gov/dor/taxtypes/contact.html](http://www.in.gov/dor/taxtypes/contact.html).

To contact Taxpayer Assistance by e-mail by specific tax type, go to: [www.in.gov/dor/contact/email.html](http://www.in.gov/dor/contact/email.html).

To obtain Post Office box numbers by specific tax type, go to: [www.in.gov/dor/taxforms/po-boxes.html](http://www.in.gov/dor/taxforms/po-boxes.html)

To obtain a list of the physical addresses of the Department and its District Offices, go to [www.in.gov/dor/contact/district.html](http://www.in.gov/dor/contact/district.html).

#### Motor Carrier Services, (317) 615-7200, [www.in.gov/dor/mcs](http://www.in.gov/dor/mcs).

Indiana Department of Revenue, Motor Carrier Services Division, 5252 Decatur Boulevard, Suite R, Indianapolis, IN 46241

**24-HOURS-A-DAY, SEVEN-DAYS-A-WEEK INTERNATIONAL REGISTRATION PLAN TRANSACTIONS CAN NOW BE CONDUCTED ONLINE!**

Commercial Drivers License, (317) 615-7335; IRP, (317) 615-7340; Indiana State Police, (317) 615-7373; Oversize/Overweight Vehicle Permitting, (317) 615-7320; Motor Carrier Fuel Tax/IFTA, (317) 615-7345; Operating Authority, (317) 615-7290; Oversize/Overweight Insurance, (317) 615-7349; Superload Permits, (317) 615-7325.

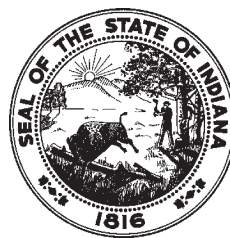
Indiana Department of Revenue  
Public Affairs Division  
100 N. Senate Avenue  
Indianapolis, IN 46204

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# Indiana Tax Dispatch Newsletter

October 2004

Volume VII, No. 3



A Quarterly Publication  
for Tax Professionals

Courtesy of the  
Indiana Department  
of Revenue

Visit the department  
on the Internet at:  
[www.in.gov/dor](http://www.in.gov/dor)

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### NAICS Codes and State Form ST-103NC

Indiana retail merchants will soon be receiving the new ST-103NC forms. This form is used to collect Sales and Use Tax Codes from the North American Industry Classification System (NAICS).

Merchants will also receive a list of principal business activities and their associated NAICS codes to help them determine correct merchants' codes.

Codes for both primary business activities and principal sources of sales or receipts will be requested. Information must be provided for each business location.

The information collected will assist the Department in mailing tax bulletins and other information applicable to businesses' classifications.

Senate Enrolled Act 278, passed by the Indiana General Assembly in 2004, requires the Indiana Department of Revenue to collect and maintain for all retail merchants information concerning the North American Industry Classification System (NAICS) merchant codes.

Filing deadline with the Indiana Department of Revenue is December 1, 2004.

### DID YOU KNOW?

2003 was the first year that individual extension of payment and individual estimated tax payments were added to IN-ePay.

### New Tire Fee Form



Beginning in January 2005, retail merchants who report and pay tire fees on State Form ST-103 will be required, instead, to report and file tire sales on new Form TF-103.

This stand-alone form will enable the Department to gather accurate information and the State to comply with Streamlined Sales Tax Regulations requiring a standardized ST-103 form.

A preliminary mailing of the new form will be sent out in December to retail merchants who have indicated tire sales on their 2003 ST-103 forms.

The due dates for filing will mirror the due dates of sales tax.

### Federal/State e-file Workshops Announced

The Internal Revenue Service (IRS) and Indiana Department of Revenue (IDOR) will once again be conducting their Electronic Filing Workshops during the months of October, November and December, 2004. The workshops will be held in 10 different cities throughout Indiana (Columbus, Evansville, Fort Wayne, Indianapolis, Lafayette, Merrillville, Muncie, Plainfield, Sellersburg, and South Bend). As in years past, these workshops offer 4.5 CPE Credits to CPAs or Enrolled Agents.

(Continued on Page 3)

# Filing Status after Gross Income Tax Repeal

Since repeal of the Indiana gross income tax, effective January 1, 2003, the following entities would not be required to file Indiana tax returns, unless they have income subject to federal income tax and/or other state tax.

**Homeowners Associations** — Homeowners associations file **Form 1120-H** (U.S. Income Tax Return for Homeowners Associations) and may elect to file **Form 1120** (U.S. Corporation Income Tax Return). Regardless of which form associations file at the federal level, they should file **Form IT-20** (Indiana Corporate Adjusted Gross Income Tax Return) at the state level.

**Political Organizations** — Political organizations file federal **Form 1120-POL**. Political organizations reporting federal taxable income are required to file **Form IT-20** at the state level.

**Municipalities** — Municipalities are not subject to federal income tax. Effective January 1, 2003, municipalities that provide utility services will now be subject to the newly-enacted Indiana Utility Receipts Tax (URT) and are required to file state **Form URT**.

**State Universities** — Under existing statute, state universities are liable for Unrelated Business Income Tax (UBIT) at the state level on any income that is subject to tax at the federal level (**Form 990-T**, Exempt Organization Business Income Tax Return). State universities needing to report unrelated business income in Indiana file **Form IT-20NP** (Indiana Nonprofit Organization Unrelated Business Income Tax Return).

**Farmers' Cooperatives** — Farmer's cooperatives with any computed federal taxable income on **Form 990-C** (Farmers' Cooperative Association

Income Tax Return) must file **state Form IT-20**. Returns for these entities are due the 15<sup>th</sup> day of the 9<sup>th</sup> month following the end of tax year, plus 30 days for filing the state return.

**REMC (Rural Electric Membership Cooperatives)** — REMC's are treated as farmer's cooperatives at the federal level, filing **Form 990-C** and may develop federal/state taxable income, and, as such, file **Form IT-20**. Effective January 1, 2003, REMC's may be liable for Utility Receipts Tax (URT) and also file **Form URT** on receipts from sale of utility services.

**Nonprofit Organizations** — Effective January 1, 2003, nonprofit organizations will not be subject to any federal/state taxation, unless they become liable for Unrelated Business Income Tax (UBIT). Those nonprofit organizations that are liable for UBIT must file State **Form IT-20NP**.

**Special Corporations** — Prior to January 1, 2003, a corporation filing **Form 1120** at the federal level and qualified to file as an "Indiana special corporation" was exempt from gross income tax by filing **Form IT-20SC** (Indiana Special Corporation Income Tax Return). Effective for taxable years beginning after December 31, 2002, all corporations file **Form IT-20** to compute adjusted gross income tax.

**General or Regular Corporations** — Corporations formerly subject to Indiana gross income tax prior to January 1, 2003, will continue to file state **Form IT-20** to report income subject to adjusted gross income tax.

FOR HELP WITH A SPECIFIC SITUATION, CONTACT THE **CORPORATE TAX SECTION** OF THE DEPARTMENT AT (317) 615-2662.

## Federal/State Discrepancy Project

Taxpayers with discrepancies between their federal and state income tax returns may want to watch their mailboxes.

The Indiana Department of Revenue is currently sending out 3,000 letters per week to Hoosier taxpayers whose Federal Adjusted Gross Income and number of exemptions submitted to the Internal Revenue Service do not agree with those reported on their 2001 Indiana individual income tax returns.

Explanations of adjustments and contact telephone numbers are being included with the mailing, as are self-addressed envelopes to the Department's Compliance Division for the submission of any additional taxes owed.

## DID YOU KNOW?

1973 was the first year for County Tax.

1988 was the first year for authorization for the Department to speak to preparers.

1996 was the first year of Household Employment Tax on the tax return.

1997 was the last year for the Illinois Reciprocal Agreement.

1999 was the first year for direct deposits.

2000 was the first year that IN-ePay could be used to pay individual tax, as well as billings of all tax types.

2003 was the first year for a direct deposit to a Hoosier Works account.

## Recent Administrative Pronouncements

### AUDIT-GRAMS

[www.in.gov/dor/reference/legal/audit-grams/index.html](http://www.in.gov/dor/reference/legal/audit-grams/index.html)

#023 - May 2004  
27 IR 3377 - Sale of Tangible Personal Property with Services – Sales Tax

#026 - May 2004  
27 IR 3379 Freight Charges – Sales Tax & Gross Income Tax [FN 1]

### COMMISSIONER'S DIRECTIVES

[www.in.gov/dor/reference/comdir/index.html](http://www.in.gov/dor/reference/comdir/index.html)

#24 - **Elimination of Form ST-136A**  
Indiana Out-of-State Purchaser's Sales Tax Exemption Affidavit  
July 2004

#25 - **Elimination of Form ST-137**  
Certificate of Exemption for an Out-of-State Delivery of Motor Vehicle, Manufactured Home, Aircraft, Watercraft or Trailer to be Registered and/or Titled Outside the State of Indiana  
July 2004

### DEPARTMENTAL NOTICES (DN)

[www.in.gov/dor/reference/notices/index.html](http://www.in.gov/dor/reference/notices/index.html)

#1 - How to Compute Withholding for State and County Income Tax  
July 2004

#2 - Prepayment of Sales Tax on Gasoline  
June 2004

#3 - Interest Rates for Calendar Year 2005  
November 2004

#4 - Form Specifications for Software Developers  
September 2004

### TAX POLICY DIRECTIVES (TPD)

[www.in.gov/dor/reference/poldir/index.html](http://www.in.gov/dor/reference/poldir/index.html)

No new Tax Policy Directives

### INCOME TAX INFORMATION BULLETINS

[www.in.gov/dor/reference/bulletins/income/index.html](http://www.in.gov/dor/reference/bulletins/income/index.html)

#3 - Payment of Indiana Estimated Tax by Individuals  
July 2004

#41 - Treatment of Net Operating Losses for Individuals Under the Indiana Adjusted Gross Income Tax Act  
**Suspended September 2004**

#62 - Exemption from Gross Income Tax for Indiana Special Corporations  
**Deleted May 2004**

#80 - Human Services Tax Deduction  
**Suspended July 2004**

#91 - Blended Biodiesel Tax Credits  
August 2004

#92 - Individual Earned Income Tax Credit (EITC) Procedures  
August 2004

#93 - Ethanol Production Tax Credit  
August 2004

#94 - Rerefined Lubrication Oil Facility Tax Credit  
September 2004

### SALES TAX INFORMATION BULLETINS

[www.in.gov/dor/reference/bulletins/sales/index.html](http://www.in.gov/dor/reference/bulletins/sales/index.html)

#2FB - Municipal Food and Beverage Tax for the Town of Nashville  
**Deleted May 2004**

### SALES TAX INFORMATION BULLETINS (continued)

#10 - Application of Sales Tax to Non-profit Organizations  
July 2004

#15 - Application of Indiana Sales Tax to Sales of Gasoline and Special Fuels Sold Through Stationary Metered Pumps  
August 2004

#28 - Motor Vehicle Sales and Repairs  
July 2004

#28WC - Indiana Sales or Use Tax on Watercraft  
July 2004

#37 - Sales by Out-of-State Merchants  
August 2004



Check out the new FAQ's for Auto Dealers at [www.in.gov/dor/business/dealer-faq.html](http://www.in.gov/dor/business/dealer-faq.html). The Indiana Department of Revenue is aware of only five states that currently do not allow a credit for sales tax paid to Indiana (or any other state) -- Arkansas, Maryland, Mississippi, Oklahoma and West Virginia.



## FREE ONLINE ORDERING FOR TAXABLE YEAR 2004 FORMS

[www.in.gov/apps/dor/fos](http://www.in.gov/apps/dor/fos)

TEST IT OUT! GET A FREE PACKAGE IN-X ON CD-ROM!  
Save time and money!

- \*Order more than ten of any form online NOW!
- \*Forms will be mailed at the normal time -- after December 1.
- \*Orders of 10 or fewer forms should still be downloaded from the Department's Web site: [www.in.gov/dor](http://www.in.gov/dor).
- \*Tax professionals with current accounts and those establishing new accounts may use the new system.
- \*Watch your mailbox for more information.
- \*Traditional forms ordering methods will still be available.

FOR-1 FORMS FOR ORDERING WILL STILL BE  
INCLUDED IN THIS YEAR'S TAX SCHOOL PACKETS.

## 2004 Educational Opportunities for Tax Professionals

|            |        |  |
|------------|--------|--|
| Oct. 13-14 | IU     | Ivy Tech, Muncie                                   |
| Oct. 20-21 | IU     | NW Campus, Gary                                    |
| Oct. 27-28 | IU     | SE Campus, New Albany                              |
| Nov. 3-4   | IU     | IPFW, Ft. Wayne                                    |
| Nov. 4     | PU     | Indiana State University, Terre Haute              |
| Nov. 4     | IRS    | Small Business Forum, Indianapolis Gov't. Ctr. So. |
| Nov. 10-11 | IU     | University of Southern Indiana, Evansville         |
| Nov. 15-16 | PU     | IUPUI-Ft. Wayne, Walb Center, Ft. Wayne            |
| Nov. 15-16 | PU     | Horizon Center, Muncie                             |
| Nov. 16-17 | IU     | IUSB, South Bend                                   |
| Nov. 18-19 | PU     | Century Center, South Bend                         |
| Nov. 18-19 | PU     | Valparaiso University, Great Room, Valparaiso      |
| Nov. 22-23 | IU     | Jonathon Byrd's Cafeteria, Greenwood               |
| Nov. 22-23 | PU     | Purdue University, Stewart Center, West Lafayette  |
| Nov. 22-23 | PU     | East Marriot, I-70 East, Indianapolis              |
| Nov. 29-30 | PU     | American Legion, Seymour                           |
| Nov. 29-30 | PU     | Vanderburgh Co. 4-H Center, Evansville             |
| Dec. 1     | QFIT   | Radisson Downtown, Indianapolis                    |
| Dec. 1-2   | IU     | Holiday Inn, Terre Haute                           |
| Dec. 2-3   | PU     | West Adams Mark, Indianapolis                      |
| Dec. 2-3   | U of I | University of Indianapolis                         |
| Dec. 2-3   | PU     | Johanning Civic Center, Kokomo                     |
| Dec. 8-9   | IU     | IUPUI, Indianapolis                                |
| Dec. 13-15 | ITPA   | Adams Mark Airport, Indianapolis                   |

## FREE Small Business Forum

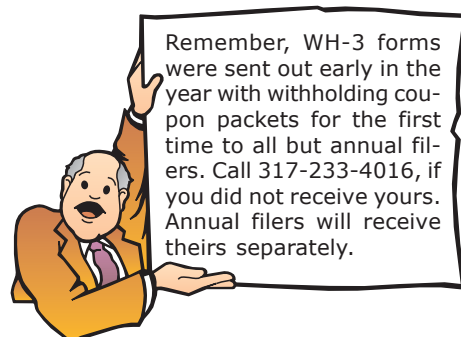
The Indiana Department of Revenue (IDOR) and five other agencies have joined together to sponsor a free Small Business Forum on Thursday, November 4, 2004, from 8:30 A.M. - 12:00 P.M. in Indianapolis.

There is no fee and anyone interested in learning about valuable services and resources available to their businesses are invited to attend. However, **registration is required.**

The forum will be held in the auditorium of the Indiana Government Center South at 402 W. Washington Street in Indianapolis.

IDOR's partners include: the Internal Revenue Service (IRS), the National Federation of Independent Business (NFIB), the Better Business Bureau (BBB), and the Small Business Administration (SBA).

To register, contact Jerry Selby by e-mail at [Jerry.D.Selby@irs.gov](mailto:Jerry.D.Selby@irs.gov), or by mail at IRS, P.O. Box 44985 Stop SB460, Indianapolis, IN 46244. Please include your name, company name, address, city, zip, telephone number, fax number and e-mail address.



### Federal/State e-file Workshops-Cont. from Pg. 1

IDOR will be covering topics such as changes to the State Acknowledgment System, and other issues addressed in the 2004 Indiana Publication IND 1345. Major topics to be covered by the IRS will be Business and Individual e-file, Electronic Federal Tax Payment System (EFTPS), Incentive Products offered to EROs through e-services, and Tax Preparer Compliance Programs.

Representatives for the State will be Bill Dunbar, Bob Yost and/or Patrick Gallagher, while the IRS will be represented by Eloise Erickson, Sheila Andrews and Jan Ribolla. **Pre-registration will be required for all of the workshops this year and begins immediately.** To pre-register for one of the workshops, you will need to contact the IRS by e-mail (preferred method) at [IndianaTec@irs.gov](mailto:IndianaTec@irs.gov) or by fax at (317) 226-5235. Please be sure to indicate which location you plan to attend. Space for all locations will be limited (Indianapolis will accommodate up to 275 people), so please, be sure to pre-register early.

All workshops are scheduled from 12:30-5:00 P.M.. The locations and dates are as follows:

|            |              |   |
|------------|--------------|---|
| October 20 | Plainfield   | Plainfield-Guilford Township Public Library<br>1120 Stafford Road   |
| October 21 | South Bend   | St. Joseph County Library Auditorium<br>304 S. Main Street  |
| October 22 | Fort Wayne   | Ivy Tech State College<br>3800 N. Anthony Blvd.   |
| October 25 | Evansville   | University of Southern Indiana, Carter Hall D<br>8600 University Boulevard  |
| October 29 | Merrillville | Lake County Public Library<br>1919 W. 81 <sup>st</sup> Avenue   |
| November 4 | Columbus     | City Hall -- Meeting Hall Room<br>123 Washington Street   |
| November 5 | Lafayette    | Ivy Tech State College<br>3101 S. Creasy Lane   |
| November 8 | Sellersburg  | Ivy Tech State College<br>8204 Highway 311  |
| December 7 | Muncie       | Ivy Tech State College<br>4301 S. Cowan Road  |
| December 9 | Indianapolis | Indiana Government Center South<br>Conference Center Auditorium (1 <sup>st</sup> Floor)<br>402 W. Washington Street |

For the first time, IDOR will also be working with the IRS and the **Kentucky Revenue Cabinet** at the Electronic Filing Workshops being conducted in Louisville, KY (November) and Owensboro, KY (December).

For location and times of these two workshops, please contact Bill Dunbar (IDOR) at [bidunbar@dor.in.gov](mailto:bidunbar@dor.in.gov), or Sheila Andrews (IRS) at [Sheila.Andrews@IRS.gov](mailto:Sheila.Andrews@IRS.gov). Pre-registration for these workshops is the same as for the Indiana workshops listed above.

We are looking forward to a very big year in electronic filing by working even closer with the Electronic Return Originators and Transmitters.



### NEW IN JANUARY 2005

- Manage your trust accounts online
- File and pay ST-103's and WH-1's
- Schedule payments
- Password protected

Please visit our newly-designed Web site:

[www.in.gov/dor](http://www.in.gov/dor)

#### Individual

•New Human Services tax deduction worksheet available online at [www.in.gov/dor/individual/pdfs/human-services.pdf](http://www.in.gov/dor/individual/pdfs/human-services.pdf).

•How to obtain a Letter of Good Standing at [www.in.gov/dor/individual/good-standing.html](http://www.in.gov/dor/individual/good-standing.html).

#### Businesses

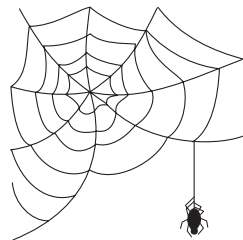
##### Revised forms

- IT-20NOL
- ST-103 -- template no longer needed
- ST-103MP -- redesigned to conform to new streamlined sales tax laws
- ST-103NC -- NAICS codes
- ST-105D -- dealers
- New form:
- TF-103 -- tire fee

#### Defunct forms

- ST-136A -- affidavit for out-of-state merchants to avoid Indiana sales tax
- ST-137 -- affidavit for out-of-state vehicle buyers to avoid Indiana sales tax. (BOTH MUST NOW PAY INDIANA SALES TAX.)

## On the Web



### NEW WEB AREAS Tax Professionals

[www.in.gov/dor/taxpro](http://www.in.gov/dor/taxpro)

Helpful information for tax professionals

#### Individual taxes

[www.in.gov/dor/individual](http://www.in.gov/dor/individual)

Collection of information specifically for individual income taxpayers.

#### Business taxes

[www.in.gov/dor/business](http://www.in.gov/dor/business)

Collection of information beneficial to businesses.

#### Tax Types/Various Rates

[www.in.gov/dor/taxtypes](http://www.in.gov/dor/taxtypes)

Contact phone numbers by tax type, interest rates, tax rates, and penalties.

#### News Room

[www.in.gov/dor/news](http://www.in.gov/dor/news)

News released from IDOR

#### Charity Gaming

[www.in.gov/dor/charity](http://www.in.gov/dor/charity)

Publications and regulations about charity gaming.

#### Software Developers

[www.in.gov/dor/software](http://www.in.gov/dor/software)

For software developers only. Some areas require a password.

#### Español

[www.in.gov/dor/espanol](http://www.in.gov/dor/espanol)

Formularios Y Documentos

#### Job Opportunities

[www.in.gov/dor/job](http://www.in.gov/dor/job)

Find out what jobs are available and the process necessary to apply.

### REVISED WEB AREAS

**Electronic Services** has a shortened Web address ([www.in.gov/dor/electronic](http://www.in.gov/dor/electronic))

**Publications** has now become the **Reference Library** ([www.in.gov/dor/reference](http://www.in.gov/dor/reference))

**Enterprise Zone** information can now be found in the **Reference Library** ([www.in.gov/dor/reference/ez/index.html](http://www.in.gov/dor/reference/ez/index.html))

### STATE HOLIDAYS

Offices of the Indiana Department of Revenue will be closed on the following dates:



General Election Day ..... Nov. 2  
Veteran's Day ..... Nov. 11  
Thanksgiving Day ..... Nov. 25  
Lincoln's Birthday\* ..... Nov. 26  
Christmas Day ..... Dec. 24  
Washington's Birthday\* ..... Dec. 27  
New Year's Day ..... Dec. 31  
Martin L. King, Jr. Day ... Jan. 17, 2005  
(\* observed)

## INdebt Collects Over \$2.5 Million

The Indiana Department of Revenue considers its new INdebt program of collecting delinquent taxes highly successful. Over \$2,500,000 in back taxes has been collected so far. In addition, payment plans for another \$900,000 have been established.

INdebt went live on the Internet July 1, 2004.

Statistics show the INdebt Web site had over 114,000 hits in September 2004. The site may be accessed from [www.indebt.in.gov](http://www.indebt.in.gov) or from the Department's home page at [www.in.gov/dor](http://www.in.gov/dor).

Indiana's INdebt database is searchable by individual name, business name or by county name (also by Warrant Number or Liability Number). Database information may be browsed or downloaded by anyone with access to the Internet.

Information regarding the program, such as why an individual or company might be on the listing and how to get off the INdebt list is also available at the Department's Web site, [www.in.gov/dor](http://www.in.gov/dor).

## INTEREST RATES AT ALL-TIME LOW!

Interest rates for tax overpayments and underpayments taking effect January 1, 2005 will be 1 and 3 percent, respectively. For information on how these rates are determined, see Departmental Notice #3, November 2004.

| YEAR | OVERPAY-<br>MENT RATE | DELINQUENT<br>PAYMENT<br>RATE |
|------|-----------------------|-------------------------------|
|      | 2005                  | 1% 3%                         |
| 2004 | 2%                    | 4%                            |
| 2003 | 4%                    | 6%                            |
| 2002 | 6%                    | 8%                            |
| 2001 | 6%                    | 8%                            |
| 2000 | 5%                    | 7%                            |
| 1999 | 5%                    | 7%                            |
| 1998 | 5%                    | 7%                            |
| 1997 | 5%                    | 7%                            |
| 1996 | 5%                    | 7%                            |
| 1995 | 4%                    | 6%                            |
| 1994 | 7%                    | 7%                            |
| 1993 | 7%                    | 7%                            |
| 1992 | 8%                    | 8%                            |
| 1991 | 10%                   | 10%                           |
| 1990 | 10%                   | 10%                           |
| 1989 | 10%                   | 10%                           |

## DID YOU KNOW?

2002 was the first year for eCheck.  
2003 was the first year for Form IT-40EZ.

Charity Gaming Information, Publication 2, Revised September 2004, available here:

[www.in.gov/dor/charity/pdfs/publication2.pdf](http://www.in.gov/dor/charity/pdfs/publication2.pdf)

## New Computation of NOL Deduction

Public Law (PL) 81-2004 amends the definition of *adjusted gross income* to provide that individuals, corporations, nonresidents and insurance companies are required to add back any deduction taken under Section 172 of the Internal Revenue Code for a net operating loss. It revises the calculation of the net operating loss deduction for regular corporations, insurance companies, nonprofit organizations and individuals effective for tax years ending in 2004.

**Form IT-20NOL, re-vised August 2004, is effective retroactive to all 2003/2004 fiscal year filers.**

The Indiana loss is equal to the amount of federal net operating loss for the taxable year derived from sources within Indiana and adjusted for the modifications required under Indiana Code (IC) 6-3-1-3.5. Citations affected are IC 6-3-1-3.5, 6-3-2-2.5 and 6-3-2-2.6. Effective January 1, 2004 (retroactive), House Enrolled Act (HEA) 1365 Sections 9, 11, 62.

See details on revised corporate Schedule IT-20NOL (August 2004) and on revised Schedule IT-40NOL (August 2004) for individuals at the Department's Web site, [www.in.gov/dor](http://www.in.gov/dor).

**Watch for the 2004 Annotated IT-40 in the Tax Professional section of the Department's Web site in December: [www.in.gov/dor](http://www.in.gov/dor).**

## Mandatory Employer Requirements

INFORMATION FROM OUR FRIENDS AT FAMILY AND  
SOCIAL SERVICES ADMINISTRATION (FSSA)  
CHILD SUPPORT BUREAU

### Child Support Electronic Payment Processing by Employers

**Did you know** that employers with 50 or more employees and more than one employee who owes child support are required to send the income withholding payments for child support electronically to the Indiana State Central Collection Unit? This is a requirement pursuant to Indiana Statute IC 31-16-15-16.

This requirement can be met easily and at no cost by using the Indiana Child Support Employer Online Payment system.

For more information or to sign up for this free service, contact the Child Support Bureau by e-mail at [Supportnet\\_project@fssa.state.in.us](mailto:Supportnet_project@fssa.state.in.us) or by telephone at 317-232-4893 or 317-234-1512.

Check "Up to the Minute" regularly for the latest information from the Indiana Department of Revenue on its Web site at [www.in.gov/dor](http://www.in.gov/dor).



### New Hire Reporting

**Effective** January 1, 2002, all public, private, nonprofit and governmental employers are required to report the dates of all newly-hired employees to the Indiana New Hire Reporting Center. Failure to report a new employee could result in a fine of \$500. This is a requirement pursuant to Indiana Statute IC 22-4.1-4.2.

Timely reporting is the law. Employers play a pivotal role in helping Indiana's children receive the support they need and deserve.

Reporting new hires and rehires is easy. It can be done by Internet, telephone, FAX or US Postal Service.

The mandatory information and available methods of reporting are available at: [www.in-newhire.com](http://www.in-newhire.com).

Employers can also telephone 317-612-3028 (Indianapolis) or 866-879-0198 (toll free). FAX numbers are 317-612-3036 (Indianapolis) and 800-408-1388 (toll free).

The Indiana New Hire Reporting Center's mailing address is: P.O. Box 55097, Indianapolis, IN 46205-5097.

**Taxpayer Refund Information:**  
(317) 233-4018, or  
<https://secure.in.gov/apps/dor/tax/refund>